

FERRACUTE MACHINE COMPANY

PRESSES, DIES AND OTHER SHEET METAL TOOLS.

OBERLIN SMITH,
PRESIDENT & MECH. ENGR.

FRED. F. SMITH,
SECRETARY & TREASURER.

CHAS. D. REEVE,
SUPERINTENDENT.

Light Machinery Improved, cheapened and manufactured on the Duplicate System.

Established 1863.

Incorporated 1877.

Bridgeton, New Jersey, U.S.A., Jan. 7th. 1893

CABLE ADDRESS "FERRACUTE, BRIDGETON" TELEPHONE CALL, "NO. 34"

Answering Yours of _____

Col. O. C. Bosbyshell,
United States Mint, Phila.

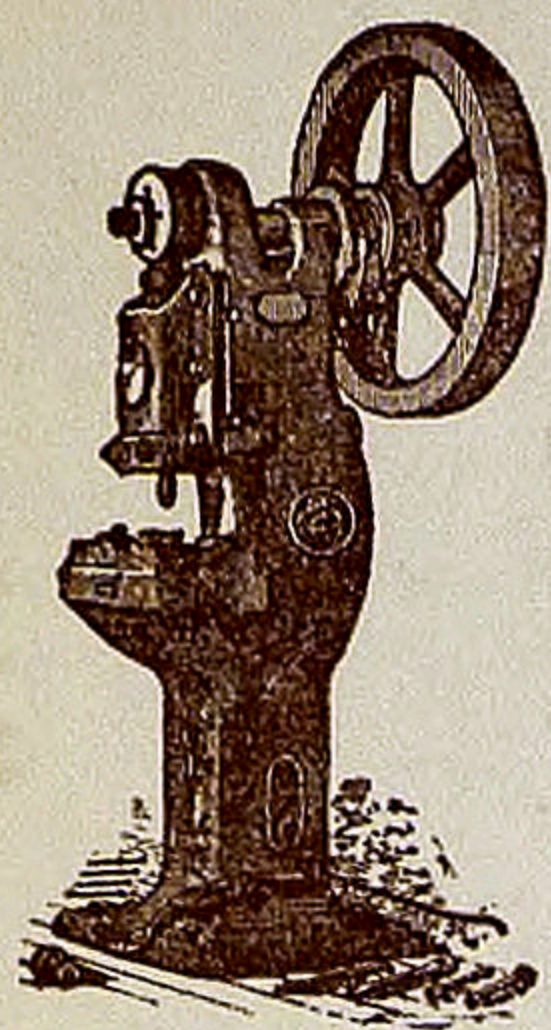
Dear Sir:-

In relation further to the subject of the writer's recent conversation with you, regarding the price of the ~~two~~ possible coining presses which may ~~perhaps~~ be ordered by you on or before Oct. 18th, 1893, we find that we have agreed to furnish them for \$1000 each, as per our specifications of March 27th., March 31st. and May 2nd., 1891, and the sketches which accompanied those letters.

We think however if such presses are made like the one recently furnished you, that we should receive a higher price than above mentioned, for the following reasons: This press is a little more than 25% heavier as well as larger and stronger all over than the one shown in the sketches referred to (which were drawn approximately to scale) and numerous improvements and changes were embodied which were not contemplated at the time, and not shown in sketches referred to in the specification. Among these were the swinging punch-holder with its automatic locking arrangements; much more convenient devices for holding the lower die and collar; the adjustable shelf; the reversible coin-bucket; the shipper; wheel-guard etc., etc. According to the agreement we would not be obliged to incorporate these enlargements and improvements, but if you called upon us for the additional presses could make them according to the specification. It would however be desirable from your point of view, as well as our own, to make them like the one you have.

In consideration of the above facts, and of the further fact that we have lost a considerable sum of money in developing for your use a more convenient, simple, durable and rapidly acting coining press than has ever heretofore been used in any part of the world, we ask, not as a point of legal right, but as a matter of fairness and equity, that we be paid a sufficient price upon the next two presses to bring us out even upon the whole job, without profit or loss. In doing this you would still be getting the presses at a much lower price than any of your old ones have cost, and not as much as such a press should bring at ordinary market prices.

The actual cost to us of the first press we built for you, which was made in a hurry and not considered sufficiently good ~~by you for~~ your purpose, was \$1929, but we afterwards sold it without the feed for \$855, making a net loss of \$1074. The total cost to us of your present press with all its attachments, has been \$2516.24. For it you paid us in all \$2006, leaving a net loss to us of \$510.84



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Answering Yours of _____

Mint 2

If we add the two losses above mentioned we have \$1584.84 as the amount we are behind, so far, upon the whole transaction. Assuming that by careful manipulation we could now build two of these presses together at a bare cost of \$1000 each and adding this \$2000 to the loss just mentioned, we have \$3584.84 as the amount which we ought to receive for the next two presses to make ourselves good. This would be a matter of \$1792 each, or, in round numbers, say, \$1800 delivered in Phila., ~~we paying boxing and freight.~~

This is not a case where we ought to be able to afford a loss at the outset for the sake of future profits upon an article sold freely in the market. The fact is that there is very little demand for presses of this kind and it maybe a long time before we sell any outside of the Mints of the United States. Should we do so, we would be perfectly willing to agree to sell them no lower than the average cost would be to you, or, if we did so, to give you a rebate so that you would be paying no higher than other people.

We feel that this case is not exactly a usual one, as knowing the demand to be very limited we went earnestly to work using our best energies and a great deal of brain-work to develop something for your work which would be better than anything yet produced. In doing this we have ignored our own interest in the matter in our zeal for attaining mechanical perfection as nearly as possible. Under the circumstances we feel that we are entitled to ask for some measure of relief from our recently made bargain and therefore respectfully submit the above for your consideration.

Yours truly,

Ferracute Machine Co.,
Per

Oberlin Smith.
Pres.

13 Bridgeton - N.J.
Jan - 7. 1893

Senacuti Machine Co

Relative to price of
two possible Coming
Presses. which may be
ordered on or before Oct-
1893 -

Rec'd
Jan - 9. 1893

[Abstract:] Relative to price of two possible coining presses, which may be ordered on or before October 1893.

Ferracute Machine Company,
Bridgeton, New Jersey, U.S.A.
January 7, 1893

Col. O.C. Bosbyshell,
United States Mint, Phila.

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If we add the two losses above mentioned we have \$1584.84 as the amount we are “behind,” so far, upon the whole transaction. Assuming that by careful manipulation we could now build two of these presses together at a bare cost of \$1050 [?] each and adding this \$2100 [?] to the loss just mentioned, we have \$3184.84 [?] as the amount which we ought to receive for the next two presses to “make ourselves good.” This would be a matter of \$1842 [?] each, or, in round numbers, say, \$1850 [?] delivered in Phila., we paying boxing and freight.

This is not a case where we ought to be able to afford a loss at the outset for the sake of future profits upon an article sold freely in the market. The fact is that there is very little demand for presses of this kind and it maybe a long time before we sell any outside of the Mints of the United States. Should we do so, we would be perfectly willing to agree to sell them no lower than the average cost would be to you, or, if we did so, to give you a rebate so that you would be paying no higher than other people.

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